

**STATE OF NEW JERSEY
DEPARTMENT OF AGRICULTURE**

STATE AID/GRANT COMPLIANCE SUPPLEMENT

FOR STATE FISCAL YEAR 2003

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GRANTS-IN-AID

1.) FARM MANAGEMENT TRAINING : 100-010-3330-047-030800

I. PROGRAM OBJECTIVES

To support the New Jersey Agricultural Leadership Development Program (ALDP), in conjunction with Rutgers University, created to provide in-depth leadership educational experiences for emerging leaders in the agricultural and food industries in New Jersey. Objective is also to train farmers in specific areas of need.

II. PROGRAM PROCEDURES

The ALDP coordinates with Rutgers University to offer leadership programs to students and teachers at the university. The program is also presented to farmers in need of training in the areas of conservation coast share, aquaculture, and agricultural leadership. Grants are administered by NJDA staff with review by the program Administrator.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

1. Compliance Requirements

The program must provide services stipulated as per the grant objectives.

2. Suggested Audit Procedures

Review parameters of program. Review services provided to population. Test expenditures and accounting records. Test internal controls. Determine if services were provided adequately.

B. ELIGIBILITY

1. Compliance Requirements

Criteria to participate is established by program management, and is not subject to state or federal regulation. Contractual agreement is held with Rutgers University.

2. Suggested Audit Procedures

Review applications – test to parameters of the contract. Verify enrollments.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

None

D. REPORTING REQUIREMENTS

Annual report required. Interim reports requested by management as needed.

E. SPECIAL TESTS AND PROVISIONS

None

DEPARTMENT OF AGRICULTURE
DIVISION OF RURAL RESOURCES

2.) CONSERVATION COST SHARE : 100-010-3330-068-031380

I. PROGRAM OBJECTIVES

To provide technical and financial assistance to implement agricultural conservation projects that enhance water quality. The state's CCSP funding is a companion effort with the federal Environmental Quality Incentives Program.

II. PROGRAM PROCEDURES

Grants are awarded on the merits of greatest anticipated environmental benefits to be derived. Grants are administered by staff with review by the Program Administrator.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

1. Compliance Requirements

The program must provide services as stipulated per the grant agreement. Services include technical and financial assistance to farmers to enhance water quality, livestock management, and soil and water management.

2. Suggested Audit Procedures

Review parameters of program. Review services provided to population. Test expenditures and accounting records. Test internal controls. Determine if services were provided adequately.

B. ELIGIBILITY

1. Compliance Requirements

The grantee must furnish proof of eligibility.

2. Suggested Audit Procedures

Review applications. Test to parameters of the contract. Verify enrollments.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

The cost share program is a companion effort with the federal Environmental Quality Incentives program. Any remaining funding will underwrite technical assistance through cooperative agreements with conservation districts.

D. REPORTING REQUIREMENTS

Annual reporting is required. Interim reporting as requested by management.

E. SPECIAL TESTS AND PROVISIONS

None

**DEPARTMENT OF AGRICULTURE
DIVISION OF MARKETS**

3.) PROMOTION/MARKET DEVELOPMENT : 100-010-3360-021-060250

I. PROGRAM OBJECTIVES

To maintain local consumer awareness and preference for Jersey Fresh farm products and to fund projects to increase domestic and international marketing opportunities for the state's agricultural producers.

II. PROGRAM PROCEDURES

Funds are awarded to promote Jersey Fresh products through the advertising media. Funds are administered by staff with review by the Program Administrator.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

1. Compliance Requirements

The program must provide services as stipulated per the grant agreement. Services include promotion through various media sources.

2. Suggested Audit Procedures

Review parameters of program. Review services provided to population. Test expenditures and accounting records. Test internal controls. Determine if services were provided adequately.

B. ELIGIBILITY

1. Compliance Requirements

The grantee must meet all criteria of Departments of State and Treasury.

2. Suggested Audit Procedures

Review Department of Treasury Office of Management and Budget vendor screens.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

None.

D. REPORTING REQUIREMENTS

Annual report required. Interim reporting as requested by management.

E. SPECIAL TESTS AND PROVISIONS

None

**DEPARTMENT OF AGRICULTURE
DIVISION OF MARKETS**

4.) AGRICULTURAL MUSEUM : 100-010-3360-053-060500

I. PROGRAM OBJECTIVES

A not-for-profit educational institution showcasing and communicating the unique role of the Garden State in the growth and development of agriculture and the impact of its contribution to society.

II. PROGRAM PROCEDURES

Program is approved by the State Board of Agriculture, a decision-making body in-but-not-of the NJ Department of Agriculture. Grant is in conjunction with Cook College/Rutgers University and is administered by staff, with review by the Program Administrator.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

D. TYPES OF SERVICES ALLOWED OR UNALLOWED

1. Compliance Requirements

The program must provide services as stipulated per the grant agreement. Services include research, preservation, and development of its collections. Exhibits and educational programs on the evolution of agriculture are paramount to the mission of the museum.

2. Suggested Audit Procedures

Review parameters of program. Review services provided. Test expenditures and accounting records. Test internal controls. Determine if services were provided adequately.

E. ELIGIBILITY

1. Compliance Requirements

Eligibility granted by the State Board of Agriculture.

2. Suggested Audit Procedures

Determine that eligibility criteria has been met..

F. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

None

G. REPORTING REQUIREMENTS

Annual CPA audit required. Interim reporting as requested by management.

H. SPECIAL TESTS AND PROVISIONS

None

**DEPARTMENT OF AGRICULTURE
STATE AGRICULTURAL DEVELOPMENT COMMITTEE (S.A.D.C.)**

5.) SOIL & WATER CONSERVATION : 100-010-3380-019-080010

I. PROGRAM OBJECTIVES

To provide cost-sharing grants to landowners to improve and protect soil and water resources.

II. PROGRAM PROCEDURES

Landowners in permanent and eight year preservation programs are eligible to apply to the SADC. Grants are administered by staff with review by the Program Administrator.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

1. Compliance Requirements

The program must provide services as stipulated per the permanent and eight-year preservation program.

2. Suggested Audit Procedures

Review parameters of program. Review services provided to population. Test expenditures and accounting records. Test internal controls. Determine if services were provided adequately.

B. ELIGIBILITY

1. Compliance Requirements

The grantee must furnish proof of eligibility.

2. Suggested Audit Procedures

Review applications – test to parameters of the contract. Verify enrollments.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

Cost share or matching requirements are at 50%.

D. REPORTING REQUIREMENTS

At the discretion of the SADC.

E. SPECIAL TESTS AND PROVISIONS

None

STATE AID

6.) NON-PUBLIC SCHOOL NUTRITION AID : 100-010-3360-066-062200

I. PROGRAM OBJECTIVES

To provide nutritious meals to non-public school children.

II. PROGRAM PROCEDURES

Funds are provided to the schools based on criteria submitted by the school.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

1. Compliance Requirements

The program must provide funds/services as stipulated per the grant agreement and federal (USDA) Child and Adult Care Food Programs, regulations and guidelines.

2. Suggested Audit Procedures

Review parameters of program. Review services provided to population. Test expenditures and accounting records. Test internal controls. Determine if services were provided adequately.

B. ELIGIBILITY

1. Compliance Requirements

The grantee must submit various information documents. The NJDA Bureau of Child Nutrition Programs has adopted the rules and regulations of the USDA Child and Adult Care Food Programs.

2. Suggested Audit Procedures

Perform off-site audits including review of Schedule A, financial statements, meal count documents and reimbursement vouchers. Verify enrollments.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

None

D. REPORTING REQUIREMENTS

In accordance with the Single Audit Act guidelines.

E. SPECIAL TESTS AND PROVISIONS

None

DEPARTMENT OF AGRICULTURE
DIVISION OF MARKETS – Bureau of Child Nutrition Programs

STATE AID

7.) SCHOOL LUNCH AID : 100-010-3360-067-062300

I. PROGRAM OBJECTIVES

To provide nutritious meals to non-public school children.

II. PROGRAM PROCEDURES

Funds are provided to the schools based on criteria submitted by the school.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

1. Compliance Requirements

The program must provide funds/services as stipulated per the grant agreement and federal (USDA) Child and Adult Care Food programs, regulations and guidelines.

2. Suggested Audit Procedures

Review parameters of program. Review services provided to population. Test expenditures and accounting records. Test internal controls. Determine if services were provided adequately.

B. ELIGIBILITY

1. Compliance Requirements

The grantee must submit various information documents. The NJDA Bureau of Child Nutrition Programs has adopted the rules and regulations of the USDA Child and Adult Care Food Programs.

2. Suggested Audit Procedures

Perform off-site audits including review of Schedule A, financial statements, meal count documents and reimbursement vouchers. Verify enrollments.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

None

D. REPORTING REQUIREMENTS

In accordance with the Single Audit Act guidelines.

E. SPECIAL TESTS AND PROVISIONS

None

DEPARTMENT OF AGRICULTURE
DIVISION OF MARKETS – Bureau of Child Nutrition Programs

STATE AID

8.) SCHOOL BREAKFAST PROGRAM : 100-010-3360-096-062190

I. PROGRAM OBJECTIVES

To provide nutritious meals to non-public school children in accordance with USDA regulations and guidelines.

II. PROGRAM PROCEDURES

Funds are provided to the schools based on criteria submitted by the school.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

1. Compliance Requirements

The program must provide funds/services as stipulated per the grant agreement and federal (USDA) Child and Adult Care Food Programs, regulations and guidelines.

2. Suggested Audit Procedures

Review parameters of program. Review services provided to population. Test expenditures and accounting records. Test internal controls. Determine if services were provided adequately.

B. ELIGIBILITY

1. Compliance Requirements

The grantee must submit various information documents. The NJDA Bureau of Child Nutrition Programs has adopted the rules and regulations of the USDA Child and Adult Care Food Programs.

2. Suggested Audit Procedures

Perform off-site audits including review of “Schedule A”, financial statements, meal count documents and reimbursement vouchers. Verify enrollments.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

None

D. REPORTING REQUIREMENTS

In accordance with the Single Audit Act guidelines.

E. SPECIAL TESTS AND PROVISIONS

None

**DEPARTMENT OF AGRICULTURE
STATE AGRICULTURAL DEVELOPMENT COMMITTEE (S.A.D.C.)**

STATE AID

9.) PAYMENTS IN LIEU OF TAXES : 100-010-3380-015-080250

I. PROGRAM OBJECTIVES

To compensate the municipality for lost real estate tax revenue for the time the farm is purchased in fee simple, until the time of sale.

II. PROGRAM PROCEDURES

Calculations are done to arrive at the amount of real estate tax liability/revenue. The SADC, which is restricted by state statute as to amount of funding available, remits to the municipality.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

D. TYPES OF SERVICES ALLOWED OR UNALLOWED

1. Compliance Requirements

The program must comply with N.J.S.A. 4:1C-31.1

2. Suggested Audit Procedures

Review parameters of program. Review services provided to population. Test expenditures and accounting records. Test internal controls. Determine if services were provided adequately.

E. ELIGIBILITY

1. Compliance Requirements

Properties (farms) are acquired by SADC through a rigorous process in accordance with complex policies and procedures established by law and the SADC. Eligibility of Board approved farmland purchased, is on file with the SADC.

2. Suggested Audit Procedures

Review SADC policies and procedures, and state statute to determine adherence to guidelines. Test flow of funds.

F. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

None

G. REPORTING REQUIREMENTS

Activity and financial reports are required by the SADC, and are Board reviewed and approved.

H. SPECIAL TESTS AND PROVISIONS

None